

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
WINSTON-SALEM DIVISION**

In re:)	Chapter 11
)	
EI LLC,)	Case No. 18-50945
)	
Debtor.)	
)	
)	
<hr/>)	
In re:)	Chapter 11
)	
PRODUCT QUEST MANUFACTURING, LLC,)	Case No. 18-50946
)	
Debtor.)	
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)	
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In re:)	Chapter 11
)	
SCHERER LABS INTERNATIONAL, LLC,)	Case No. 18-50948
)	
Debtor.)	
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)	
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In re:)	Chapter 11
)	
PRODUCT QUEST LOGISTICS, LLC,)	Case No. 18-50950
)	
Debtor.)	
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In re:)	Chapter 11
)	
JBTRS, L.L.C.,)	Case No. 18-50951
)	
Debtor.)	
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In re:)	Chapter 11
)	
PQ REAL ESTATE LLC,)	Case No. 18-50952
)	
Debtor.)	
)	
)	(Joint Administration Requested)
<hr/>)	(Emergency Hearing Requested)

**DEBTORS' MOTION FOR AN ORDER DIRECTING
JOINT ADMINISTRATION OF CHAPTER 11 CASES**

Ei LLC (EI), Product Quest Manufacturing, LLC (PQM), Scherer Labs International, LLC (Scherer), Product Quest Logistics, LLC (PQL), JBTRS, L.L.C. (JBTRS), and PQ Real Estate LLC (PQ Real Estate), together with EI, PQM, Scherer, PQL, and JBTRS, collectively, the "Debtors") file this *Motion for an Order Directing Joint Administration of Chapter 11 Cases* (the "Motion"). In support of this Motion, the Debtors respectfully represent as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over these cases and this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
2. The statutory predicate for the relief requested herein is Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

BACKGROUND

3. On the date hereof (the "Petition Date"), each of the Debtors filed a voluntary petition with the Court under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code").
4. The factual background relating to the Debtors' commencement of these cases is set forth in detail in the *Declaration of Michael J. Musso in Support of First Day Motions and Applications* filed on the Petition Date and incorporated herein by reference.
5. The Debtors have continued in possession of their properties and have continued to manage their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. As of the date of this filing, no official committee of unsecured creditors has been appointed in any of these cases, and no request has been made for the appointment of a trustee or examiner.

RELIEF REQUESTED

7. The Debtors intend to file with the Court numerous motions and applications, including the various motions and applications which have been filed on the first day of these cases. Joint administration for procedural purposes of these cases will avoid unnecessary delay and expense by obviating the need for the Debtors to file duplicative motions and applications and for the Court to enter duplicative orders in each of these chapter 11 cases. Joint administration will also avoid the burdensome necessity of duplicating notices to numerous creditors. Finally, supervision of the administrative aspects of these chapter 11 cases by the U.S. Bankruptcy Administrator will be simplified by joint administration of these cases.

8. The rights of the respective creditors will not be adversely affected by joint administration of these cases because the relief sought in this Motion is purely procedural and is in no way intended to affect substantive rights.

9. The Debtors also request, for the convenience of all parties and the Court, that these chapter 11 cases be jointly administered under the lowest case number and that all court papers pertaining thereto be filed under the following caption:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
WINSTON-SALEM DIVISION**

In re:)	Chapter 11
)	
PRODUCT QUEST MANUFACTURING,)	Case No. 18-50946
LLC, <i>et al.</i>,¹)	
)	
Debtors.)	(Jointly Administered)
)	

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: (i) Ei LLC (6099); (ii) Product Quest Manufacturing, LLC (4401); (iii) Scherer Labs International, LLC (5258); (iv) Product Quest Logistics, LLC (6199); (v) JBTRS, L.L.C. (1249); and (vi) PQ Real Estate LLC (4569). The Debtors' service address is: 2865 N. Cannon Blvd., Kannapolis, North Carolina 28083.

10. The Debtors also seek the Court's direction that a notation substantially similar to the following notation be entered on the docket of each of the Debtors' cases to reflect the joint administration of these cases:

An Order has been entered in this case directing the procedural consolidation and joint administration of: Ei LLC, Case No. 18-50945; Product Quest Manufacturing, LLC, Case No. 18-50946; Scherer Labs International, LLC, Case No. 18-50948; Product Quest Logistics, LLC, Case No. 18-50950; JBTRS, L.L.C., Case No. 18-50951; and PQ Real Estate LLC, Case No. 18-50952. **All further pleadings and other papers shall be filed in and all further docket entries shall be made in Case No. 18-50946.**

11. Finally, the Debtors seek authority to file the monthly operating reports required by the U.S. Bankruptcy Administrator on a consolidated basis. This will further administrative economy and efficiency without prejudice to any party-in-interest.

BASIS FOR RELIEF

12. Bankruptcy Rule 1015(b) provides, in relevant part, that if “two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint

administration of the estates.” The Debtors are “affiliates” as that term is defined under section 101(2) of the Bankruptcy Code. Accordingly, the Court is authorized to grant the requested relief.

NOTICE

13. Notice of this Motion has been provided to the Office of the U.S. Bankruptcy Administrator, counsel for the Debtors’ pre-petition secured lenders, Bank of America, N.A., the Internal Revenue Service, and the Debtors’ thirty (30) largest unsecured creditors on a consolidated basis. In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

CONCLUSION

WHEREFORE the Debtors respectfully request that this Court:

- (a) enter an order in the form attached hereto as Exhibit A granting the relief requested herein; and
- (b) grant the Debtors such other and further relief as is just and proper.

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Dated: September 7, 2018

Respectfully submitted,

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PROPOSED COUNSEL FOR THE
DEBTORS-IN-POSSESSION

EXHIBIT A

Proposed Order

**THE UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF NORTH CAROLINA
WINSTON-SALEM DIVISION**

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PQ REAL ESTATE LLC,)	Case No. 18-50952
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Debtor.)	
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ORDER DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES

This matter is before the Court on the *Debtors' Motion for an Order Directing Joint Administration of Chapter 11 Cases* (the "Motion") of Ei LLC ("EI"), Product Quest Manufacturing, LLC ("PQM"), Scherer Labs International, LLC ("Scherer"), Product Quest Logistics, LLC ("PQL"), JBTRS, L.L.C. ("JBTRS"), and PQ Real Estate LLC ("PQ Real Estate"), together with EI, PQM, Scherer, PQL, and JBTRS, collectively, the "Debtors"). All capitalized terms used but not defined herein shall have the meanings given to them in the Motion.

The Court has considered the Motion, the *Declaration of Michael J. Musso in Support of First Day Motions and Applications*, and the matters reflected in the record of the hearing held on the Motion on September ____, 2018. It appears that the Court has jurisdiction over this proceeding; that this is a core proceeding; that notice of the Motion has been given to the Office of the U.S. Bankruptcy Administrator, counsel for the Debtors' pre-petition secured lenders, Bank of America, N.A., the Internal Revenue Service, and the Debtors' thirty (30) largest unsecured creditors on a consolidated basis; that no further notice is necessary; that the relief

sought in the Motion is in the best interests of the Debtors, their estates, and their creditors; and that good and sufficient cause exists for such relief.

Accordingly, it is hereby ORDERED as follows:

1. The Motion is GRANTED.
2. The above-captioned chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by the Court.
3. Nothing contained in this Order shall be deemed or construed as directing or otherwise affecting the substantive consolidation of any of the above-captioned cases.
4. The caption of the jointly administered cases should read as follows:

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5. A notation substantially similar to the following notation shall be entered on the docket of each of the Debtors' cases to reflect the joint administration of these cases:

An Order has been entered in this case directing the procedural consolidation and joint administration of: Ei LLC, Case No. 18-50945; Product Quest Manufacturing, LLC, Case No. 18-50946; Scherer Labs International, LLC, Case No. 18-50948; Product Quest Logistics, LLC, Case No. 18-50950; JBTRS, L.L.C., Case No. 18-50951; and PQ Real

Estate LLC, Case No. 18-50952. **All further pleadings and other papers shall be filed in and all further docket entries shall be made in Case No. 18-50946.**

6. The Debtors shall be permitted to file their monthly operating reports required by the U.S. Bankruptcy Administrator Operating Guidelines on a consolidated basis.

7. Counsel to the Debtors is directed to serve a copy of this Order on all parties on the Master Service List within three (3) days of the entry of this Order and to file a certificate of service with the Clerk of the Court.

[END OF DOCUMENT]